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# MONTANA LETTER

November 24, 1971

## PRICE SUPPORT ACTIVITY IS HEAVY

Montana wheat growers are taking price support loans at an unprecedented rate this fall according to our October 31 report of price support activity. At that time, nearly 20.8 million bushels of wheat had been placed under loan as compared with about 6 million bushels at the same time a year ago.

This ratio is about the same as in the Dakotas, Idaho, Washington, and Oregon - all of which are also experiencing heavy loan programs because of the substantially larger wheat crops this year and the slow down in export movement out of Pacific Northwest ports.

Nationally, too, wheat loans are nearly double what they were at the end of October a year ago.

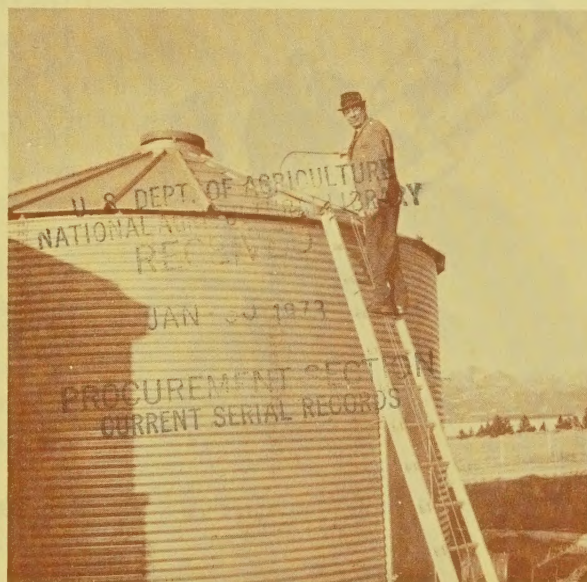
Barley loans in the State are also showing a substantial increase this year with about 4.8 million bushels under loan as compared with 1.4 million bushels a year ago.

Only in oats, where our 1971 crop was about 53 percent of last year's, is price support down with less than 200,000 bushels under support as compared to 2.2 million bushels a year ago.

The amount of wheat from the 1971 crop already placed under loan by Montana growers is greater than the total annual loan program in most recent years. The exceptions are 1968 when 40.9 million bushels of that year's record-breaking crop was placed under loan and 1967 when 30 million bushels were offered.

The amount of 1971-crop barley already offered for loan is also something of a record being more than in any year since 1962 when a total of 6.6 million bushels was placed under loan.

Since the eligibility period for loans on barley, as well as wheat and oats, continues through April 30, considerably more wheat and barley may both be



Frank Ashley, Park County executive director, checks the grain in one of the thousands of storage bins which have been placed under government price support loan this fall. The combination of a near-record wheat crop, transportation problems and a stagnant market have encouraged many growers to use the price support program to meet their immediate financial needs.



placed under loan.

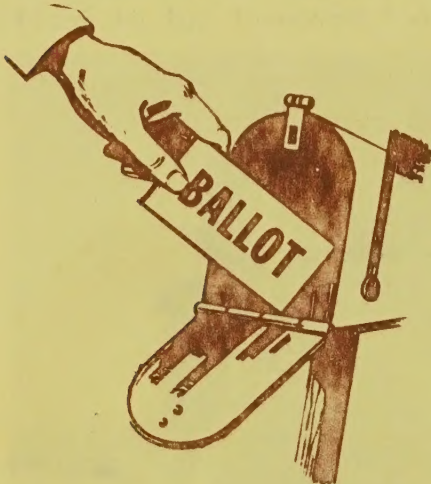
Our October 31 report also shows nearly 45.5 million bushels of wheat, 6.1 million bushels of barley and 5.4 million bushels of oats under support. This includes reseal grain of the 1968, 1969 and 1970 crops, as well as the current crop loans.

Loan repayments on all commodities have been relatively light.

### **ELECTION IS NOW**

If you haven't already, you should, and right now. Vote, that is, for the ASC committeemen of your choice.

The final day for casting ballots - either by putting them in the mail or taking them to the ASCS office - is next Wednesday, December 1.



Instructions for voting - the number of people to vote for, what to do if you want to write in the names of additional candidates, etc. - were sent with the ballot to eligible voters. These instructions should be followed carefully to make sure that ballots are both eligible and secret.

After a ballot is properly marked, it should be placed in the plain envelope included with it. This envelope should then be sealed and placed in the larger envelope preaddressed to the ASCS county office. After sealing the outer envelope the voter should sign his name and date it.

This outer signed envelope, which identifies the ballot as coming from an eligible voter, is removed by the ASC county committee and the plain, unmarked, sealed, inner envelope is mixed with other envelopes for the community. This preserves the secrecy of each ballot.

Incidentally, the opening and tabulation of ballots is open to the public. If you are interested, call your county office to get the time and date, then go and watch this process.

ASC committeemen have important responsibilities in connection with environmental improvement, price support, and set-aside programs. A good turnout at election time will let them know they have the interest and support of the community.

### **USDA OUT OF REORGANIZATION**

President Nixon has changed his mind about abolishing the Department of Agriculture and apportioning its functions among several new departments. Speaking recently on the occasion of his nomination of Dean Earl Butz to be Secretary of Agriculture, the President said, "We have now concluded it is necessary to have a separate Department of Agriculture - not the old department, but a new one."



No details were released on the functions which would remain in the new agriculture department but the President said he thought the decision to continue the department could be "very important in getting support in Congress" for his over-all reorganization plan.

The decision to pull agriculture out of the reorganization plan is the first major revision since the reorganization program was announced nearly two years ago. At that time the plan was to merge seven cabinet departments into four with agriculture agencies divided among the new departments of Community Development, Economic Affairs, Natural Resources and Human Resources.

#### **COUNTY COMMITTEEMEN AND DIRECTORS TO MEET WITH STATE COMMITTEE**

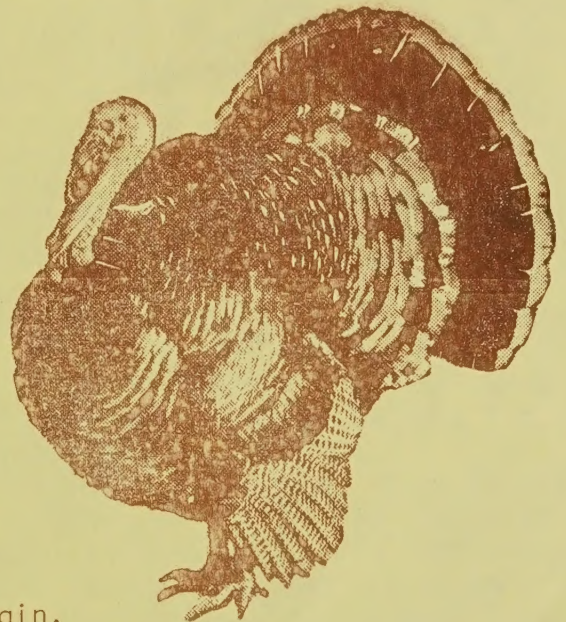
Two meetings to discuss the 1972 set-aside and rural environmental assistance programs with ASC county committeemen and executive directors have been scheduled. They will be at the Colonial Inn, Helena, on December 9 and the Yogo Inn, Lewistown, on December 14.

The one-day meetings will be devoted primarily to background, policy and county committee areas of decision. Procedural detail will be covered in later meetings with county executive directors and program assistants.

The meetings will follow closely a Northwest Area meeting on the feed grain and wheat set-aside programs at Omaha. Members of the State committee, Leo Kolstad, executive director, and James Ross, program specialist, will come almost directly from there to the Helena meeting.

Plans for implementation of these programs must be completed rapidly. Signup for next year's set-aside programs will start January 17 and continue through February 25.

Only slightly less critical is the need to develop county REA Programs. Although little environmental improvement work can be done during the winter months, plans need to be completed so that requests can be taken and approvals granted by the time spring work can begin.



As we indicated in our last LETTER, the State program has been prepared and sent to the National ASCS office for review. It includes 20 practices, which actually offer a much greater number of choices, and counties will also have the opportunity to develop and add several practices to meet local conservation needs. In addition, where necessary, counties may offer any conservation practice which was included in their 1970 practice list and is deemed necessary by the county committee.

Just how these things are to be done should provide an interesting day's discussion. We sincerely hope all county committeemen and executive directors are making their plans to attend one of these meetings.



## **BUTZ NOMINATED FOR AG SECRETARY**

Dr. Earl L. Butz, dean of continuing education and vice president of the Purdue Research Foundation, has been nominated to become Secretary of Agriculture succeeding Dr. Clifford M. Hardin, resigned.

Dr. Hardin, who served as Secretary for nearly three years, will become vice chairman of the Ralston Purina Company at St. Louis.

Dean Butz previously had experience in the Department as assistant secretary in charge of marketing and foreign agriculture and as a member of the board of directors of Commodity Credit Corporation from 1954 to 1957. He is a native of Indiana with a long career as a university educator and administrator at Purdue University. He served for eight years as head of the agricultural economics department and for ten years as dean of agriculture.

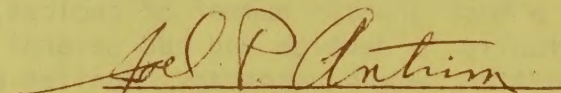


He has been a research economist with the Brookings Institution in Washington, D.C., and with the National Bureau of Economic Research in New York City. While assistant secretary, he chaired the U.S. delegation to the Food and Agriculture Organization three times.

## **SPREADING IT THIN . . . AND QUICK**

PUBLIC HEARINGS ON WAGE RATES and prices for the 1972 crop of sugarbeets will be held during December. Interested persons may attend and present testimony at any of the five hearings but the two closest to Montana will be at Moorhead, Minnesota, December 8, and Salt Lake City, Utah, December 17. . . AUTHORIZATION BY THE COUNTY COMMITTEE IS still required before any loan grain is removed from storage. A new form permits

release of grain to the owner for sale without designation of the purchaser but the loan must be repaid not later than 30 days after release is authorized. . . ASCS OFFICES CONTINUE TO PROVIDE information with the Internal Revenue Service on Phase II of the President's economic stabilization program. ASCS offices will also accept complaints, violations, and requests for exemption to be forwarded to the IRS. . . THE INCENTIVE PRICE for marketings of shorn wool during 1972 will continue at 72 cents per pound. This is the rate in effect for sales made this year. Payments will continue to be based on the percentage required to raise the national average price received by all producers up to the 72 cent per pound incentive level. . .

  
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